

## HOUSE BILL NO. 318

INTRODUCED BY T. FACEY, GOLIE, KITZENBERG, LASLOVICH, LAWSON, NEWMAN, RASER

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING FOR THE AWARD OF MATCHING FUNDS TO ORGANIZATIONS RAISING MONEY TO ASSIST CATASTROPHICALLY INJURED LAW ENFORCEMENT OFFICERS AND PUBLIC SAFETY WORKERS; ~~ALLOWING AN ORGANIZATION RAISING FUNDS FOR A LAW ENFORCEMENT OFFICER TO APPLY FOR MATCHING FUNDS FROM THE CRIME VICTIMS COMPENSATION AND ASSISTANCE ACCOUNT; ESTABLISHING AN ACCOUNT IN THE STATE SPECIAL REVENUE FUND TO BE ADMINISTERED BY~~ STATUTORILY APPROPRIATING UP TO \$30,000 FROM THE EMPLOYMENT SECURITY ACCOUNT TO THE DEPARTMENT OF ADMINISTRATION TO PROVIDE MATCHING FUNDS TO ORGANIZATIONS RAISING MONEY FOR INJURED LAW ENFORCEMENT OFFICERS AND PUBLIC SAFETY WORKERS; REQUIRING THE COMMISSIONER OF INSURANCE TO DEPOSIT IN THE ACCOUNT MONEY COLLECTED FROM A TAX ON NET PREMIUMS; STATUTORILY APPROPRIATING MONEY IN THE ACCOUNT TO THE DEPARTMENT OF ADMINISTRATION; ESTABLISHING SCHEDULES BY WHICH THE DIVISION OF CRIME CONTROL AND THE DEPARTMENT OF ADMINISTRATION MAY MATCH FUNDS RAISED BY A LOCAL ORGANIZATION; ALLOWING THE DIVISION OF CRIME CONTROL AND THE DEPARTMENT OF ADMINISTRATION TO DEVELOP PROCEDURES FOR AWARDING MATCHING FUNDS; AMENDING SECTIONS 17-2-121, SECTION 17-7-502, 33-2-705, AND 33-2-708, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Matching funds for law enforcement officers -- STATUTORY APPROPRIATION. (1) FOR THE PURPOSES OF THIS SECTION, "PUBLIC SAFETY WORKER" MEANS A FIREFIGHTER, PARAMEDIC, OR EMERGENCY MEDICAL TECHNICIAN.

~~(1)(2)~~ If a law enforcement officer, as defined in 7-32-201, OR A PUBLIC SAFETY WORKER is catastrophically injured or killed while performing the duties required of the position and a local organization raises funds to assist the injured law enforcement officer OR PUBLIC SAFETY WORKER or the law enforcement officer's OR PUBLIC SAFETY WORKER'S family, the local organization may apply to the ~~division~~ DEPARTMENT OF ADMINISTRATION for matching funds ~~from the crime victims compensation and assistance account~~

1 ~~established in 53-9-109,~~ according to the following schedule, subject to subsection ~~(2)~~ (3):

2 (a) for organizations in counties with a population under 4,000, a 5-to-1 match;

3 (b) for organizations in counties with a population between 4,000 and 10,000, a 4-to-1 match;

4 and

5 (c) for organizations in counties with a population over 10,000, a 3-to-1 match.

6 ~~(2)~~(3) An award to an organization under this section may not exceed ~~\$50,000~~ \$30,000.

7 ~~(3)~~(4) For the purposes of this section, "catastrophically injured" means injured to the point that  
8 a law enforcement officer OR PUBLIC SAFETY WORKER does not have a reasonable prospect of physically  
9 performing the regular duties of a law enforcement officer OR PUBLIC SAFETY WORKER after the law  
10 enforcement officer OR PUBLIC SAFETY WORKER has reached maximum medical healing and no further  
11 improvement can be expected with primary medical care.

12 ~~(4)~~(5) The ~~division~~ DEPARTMENT OF ADMINISTRATION may develop procedures for determining how  
13 an organization may qualify and apply for the matching funds.

14 (6) UP TO \$30,000 IS STATUTORILY APPROPRIATED, AS PROVIDED IN 17-7-502, FROM THE EMPLOYMENT  
15 SECURITY ACCOUNT ESTABLISHED IN 39-51-409, TO THE DEPARTMENT OF ADMINISTRATION ON AN ANNUAL BASIS FOR  
16 THE PURPOSES OF PROVIDING MATCHING FUNDS TO AN ORGANIZATION IF IT APPLIES AND QUALIFIES UNDER THIS SECTION.  
17 ANY UNEXPENDED FUNDS REMAINING IN THE APPROPRIATION AT THE END OF EACH FISCAL YEAR MUST REVERT TO THE  
18 GENERAL FUND.

19 (7) MATCHING FUNDS ARE LIMITED TO ONE FOR AN OFFICER, PUBLIC SAFETY WORKER, OR FAMILY IN A LIFETIME.

20  
21 ~~NEW SECTION. Section 2. Matching funds for public safety workers.~~ (1) For the purposes of this  
22 section, "public safety worker" means a firefighter, paramedic, or emergency medical technician.

23 ~~(2) If a public safety worker is catastrophically injured or killed while performing the duties required~~  
24 ~~of the position and a local organization raises funds to assist the injured public safety worker or the public~~  
25 ~~safety worker's family, the local organization may apply to the department of administration for matching~~  
26 ~~funds from the account established in [section 3], according to the following schedule, subject to~~  
27 ~~subsection (3).~~

28 ~~(a) for organizations in counties with a population under 4,000, a 5-to-1 match;~~

29 ~~(b) for organizations in counties with a population between 4,000 and 10,000, a 4-to-1 match;~~

30 and

~~1 (c) for organizations in counties with a population over 10,000, a 3-to-1 match.~~

~~2 (3) An award to an organization under this section may not exceed \$50,000.~~

~~3 (4) For the purposes of this section, "catastrophically injured" means injured to the point that a  
4 public safety worker does not have a reasonable prospect of physically performing the regular duties of  
5 the public safety worker's job after the public safety worker has reached maximum medical healing and  
6 no further improvement can be expected with primary medical care.~~

~~7 (5) The department of administration may develop procedures for determining how an organization  
8 may qualify and apply for the matching funds.~~

~~9  
10 **NEW SECTION. Section 3. Account to be used for matching funds.** (1) There is an account in the  
11 state special revenue fund to be used for awarding matching funds to organizations raising money for  
12 injured public safety workers as provided in [section 2].~~

~~13 (2) Money in the account is derived from the tax collected by the commissioner of insurance under  
14 33-2-705.~~

~~15 (3) Money in the account is statutorily appropriated, as provided in 17-7-502, to the department  
16 of administration.~~

~~17 (4) Any remaining balance in the account at the end of the biennium must be transferred to the  
18 state general fund.~~

~~19  
20 **Section 4.** Section 17-2-121, MCA, is amended to read:~~

~~21 **"17-2-121. Deposits by insurance commissioner of insurance.** Except as provided in 33-2-705  
22 and 33-2-708, all fees, miscellaneous and examination charges, fines, penalties, and those amounts  
23 received pursuant to 33-2-311, 33-2-705, 33-2-706, or 50-3-109 collected by the insurance  
24 commissioner of insurance pursuant to Title 33 and the rules adopted to implement Title 33 must be  
25 deposited in the general fund."~~

~~26  
27 **Section 2.** Section 17-7-502, MCA, is amended to read:~~

~~28 **"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory  
29 appropriation is an appropriation made by permanent law that authorizes spending by a state agency  
30 without the need for a biennial legislative appropriation or budget amendment.~~

(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations: 2-17-105; 3-5-901; 5-13-403; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-4-301; 15-1-111; 15-23-706; 15-31-702; 15-34-115; 15-35-108; 15-36-324; 15-37-117; 15-38-202; 15-65-121; 15-70-101; 16-1-404; 16-1-406; 16-1-411; ~~section 3~~ [SECTION 1]; 17-3-106; 17-3-212; 17-3-222; 17-6-101; 17-7-304; 18-11-112; 19-3-319; 19-6-709; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 20-8-107; 20-26-1503; 22-3-1004; 23-5-136; 23-5-306; 23-5-409; 23-5-610; 23-5-612; 23-5-631; 23-7-301; 23-7-402; 37-43-204; 37-51-501; 39-71-503; 42-2-105; 44-12-206; 44-13-102; 50-4-623; 53-6-703; 53-24-206; 67-3-205; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 77-1-505; 80-2-222; 80-4-416; 80-11-518; 81-5-111; 82-11-161; 87-1-513; 90-3-1003; 90-6-710; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to sec. 7, Ch. 567, L. 1991, the inclusion of 19-6-709 terminates upon death of last recipient eligible for supplemental benefit; pursuant to Ch. 422, L. 1997, the inclusion of 15-1-111 terminates on July 1, 2008, which is the date that section is repealed; pursuant to sec. 10, Ch. 360, L. 1999, the inclusion of 19-20-604 terminates when the amortization period for the teachers' retirement system's unfunded liability is 10 years or less; pursuant to sec. 4, Ch. 497, L. 1999, the inclusion of 15-38-202 terminates July 1, 2014; and pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, the inclusion of 15-35-108 and 90-6-710 terminates June 30, 2005.)"

~~Section 6. Section 33-2-705, MCA, is amended to read:~~

~~"33-2-705. Report on premiums and other consideration -- tax -- deposit of funds in special~~

~~1 **account.** (1) Each authorized insurer and each formerly authorized insurer with respect to premiums~~  
~~2 received while an authorized insurer in this state shall file with the commissioner, on or before March 1~~  
~~3 each year, a report in a form prescribed by the commissioner showing total direct premium income,~~  
~~4 including policy, membership, and other fees, premiums paid by application of dividends, refunds, savings,~~  
~~5 savings coupons, and similar returns or credits to payment of premiums for new or additional or extended~~  
~~6 or renewed insurance, charges for payment of premium in installments, and all other consideration for~~  
~~7 insurance from all kinds and classes of insurance, whether designated as a premium or otherwise, received~~  
~~8 by a life insurer or written by an insurer other than a life insurer during the preceding calendar year on~~  
~~9 account of policies covering property, subjects, or risks located, resident, or to be performed in Montana,~~  
~~10 with proper proportionate allocation of premium as to property, subjects, or risks in Montana insured under~~  
~~11 policies or contracts covering property, subjects, or risks located or resident in more than one state, after~~  
~~12 deducting from the total direct premium income applicable cancellations, returned premiums, the~~  
~~13 unabsorbed portion of any deposit premium, the amount of reduction in or refund of premiums allowed to~~  
~~14 industrial life policyholders for payment of premiums direct to an office of the insurer, all policy dividends,~~  
~~15 refunds, savings, savings coupons, and other similar returns paid or credited to policyholders with respect~~  
~~16 to the policies. As to title insurance, "premium" includes the total charge for the insurance. A deduction~~  
~~17 may not be made of the cash surrender values of policies. Considerations received on annuity contracts~~  
~~18 may not be included in total direct premium income and are not subject to tax.~~

~~19 ——— (2) Coincident with the filing of the tax report referred to in subsection (1), each insurer shall pay~~  
~~20 to the commissioner a tax upon the net premiums computed at the rate of 2 3/4%.~~

~~21 ——— (3) That portion of the tax paid under this section by an insurer on account of premiums received~~  
~~22 for fire insurance must be separately specified in the report as required by the commissioner, for~~  
~~23 apportionment as provided by law. When insurance against fire is included with insurance of property~~  
~~24 against other perils at an undivided premium, the insurer shall make a reasonable allocation from the entire~~  
~~25 premium to the fire portion of the coverage as must be stated in the report and as may be approved or~~  
~~26 accepted by the commissioner.~~

~~27 ——— (4) With respect to authorized insurers, the premium tax provided by this section must be payment~~  
~~28 in full and in lieu of all other demands for any and all state, county, city, district, municipal, and school~~  
~~29 taxes, licenses, fees, and excises of whatever kind or character, excepting only those prescribed by this~~  
~~30 code, taxes on real and tangible personal property located in this state, and taxes payable under 50-3-109.~~

1 ~~—— (5) The commissioner may suspend or revoke the certificate of authority of any insurer that fails~~  
 2 ~~to pay its taxes as required under this section.~~

3 ~~—— (6) In addition to the penalty provided for in subsection (5), the commissioner may impose upon~~  
 4 ~~an insurer who fails to pay the tax required under this section a fine of \$100 plus interest on the~~  
 5 ~~delinquent amount at the annual interest rate of 12%.~~

6 ~~—— (7) The commissioner may by rule provide a quarterly schedule for payment of portions of the~~  
 7 ~~premium tax under this section during the year in which tax liability is accrued.~~

8 ~~—— (8) Except as provided in subsection (3), funds collected under this section must be deposited in~~  
 9 ~~the account in the state special revenue fund established under [section 3]."~~

10

11 ~~—— **Section 7.** Section 33-2-708, MCA, is amended to read:~~

12 ~~—— **"33-2-708. Fees and licenses.** (1) (a) Except as provided in 33-17-212(2), the commissioner shall~~  
 13 ~~collect a fee of \$1,900 from each insurer applying for or annually renewing a certificate of authority to~~  
 14 ~~conduct the business of insurance in Montana.~~

15 ~~—— (b) The commissioner shall collect certain additional fees as follows:~~

16 ~~—— (i) nonresident insurance producer's license:~~

17 ~~—— (A) application for original license, including issuance of license, if issued . . . . . 100.00~~

18 ~~—— (B) annual renewal of license . . . . . 10.00~~

19 ~~—— (ii) surplus lines insurance producer license:~~

20 ~~—— (A) application for original license and for issuance of license, if issued . . . . . 50.00~~

21 ~~—— (B) annual renewal of license . . . . . 50.00~~

22 ~~—— (iii) 50 cents for each page for copies of documents on file in the commissioner's office.~~

23 ~~—— (2) (a) The commissioner shall charge a fee of \$75 for each course or program submitted for~~  
 24 ~~review as required by 33-17-1204 and 33-17-1205, but may not charge more than \$1,500 to a~~  
 25 ~~sponsoring organization submitting courses or programs for review in any biennium.~~

26 ~~—— (b) Insurers and associations composed of members of the insurance industry are exempt from~~  
 27 ~~the charge in subsection (2)(a).~~

28 ~~—— (3) The commissioner shall promptly deposit with the state treasurer to the credit of the general~~  
 29 ~~fund all fines and penalties and those amounts received pursuant to 33-2-311, 33-2-705, and 33-2-706.~~

30 ~~All Except as provided in 33-2-705, all other fees collected by the commissioner pursuant to Title 33 and~~

1 ~~the rules adopted under Title 33 must be deposited in the state special revenue fund to the credit of the~~  
2 ~~state auditor's office.~~

3 ~~——— (4) All fees are considered fully earned when received. In the event of overpayment, only those~~  
4 ~~amounts in excess of \$10 will be refunded."~~

5

6 NEW SECTION. Section 3. Codification instruction. ~~(1) [Section 1] is intended to be codified as~~  
7 ~~an integral part of Title 53, chapter 9, part 1, and the provisions of Title 53, chapter 9, part 1, apply to~~  
8 ~~{section 1}.~~

9 ~~——— (2) [Sections 2 and 3] are~~ [SECTION 1] IS intended to be codified as an integral part of Title 17,  
10 chapter 2, part 1, and the provisions of Title 17, chapter 2, part 1, apply to ~~{sections 2 and 3}~~ [SECTION  
11 1].

12

13 NEW SECTION. Section 4. Effective date. [This act] is effective on passage and approval.

14

- END -